

*Over 13,000 college students to benefit in 11<sup>th</sup> District, bill includes deficit reduction*

Thanks to the passage of the Student Aid and Fiscal Responsibility Act (SAFRA) in the House of Representatives, over 13,000 college students in the 11<sup>th</sup> District could have increased opportunity to receive Pell Grants, Congresswoman Debbie Halvorson announced today. Passed on a bipartisan vote of 253-171, the bill now goes to the Senate for consideration.

“This is the single largest investment in higher education aid for students and families in U.S. history,” said Halvorson. “There are so many who want to go to college, but simply can’t because the money just isn’t there – especially during these rough economic times. However, this bill offers financial assistance to those who need it and provides a fantastic opportunity for those Americans seeking to better their lives through higher education.”

Created to expand access to an affordable college education for more American students, SAFRA will transform early education opportunities, as well as build a world-class community college system. It will significantly increase government grant and loan assistance for tuition payments and is considered a major step towards increased access to college education. With the potential to reform the federal student loan system, SAFRA will save taxpayers nearly \$87 billion and direct \$10 billion back to the Treasury, reducing the federal deficit.

“Not only does this bill represent sound reform that is long overdue, but the reality is that it will eliminate billions of dollars in waste, while dramatically expanding educational opportunities for Americans,” added Halvorson.

SAFRA will also change the way the student loan system functions by originating new loans through the government’s current Direct Loan program. It will maintain competition among private lenders who will compete to service the loans, and in-turn will provide top-notch customer service for student borrowers. This simple change will make college loans more reliable for students and families -- and ensure that loans operate in the best interests of borrowers by reducing many of the potential conflicts of interest that exist in the current loan system. Savings from this change will go towards a variety of student aid and school improvement programs, including a new green schools initiative that will help fund school modernization and energy efficiency projects.

“It’s hard to disagree with the importance of accessible and affordable higher education – it helps to keep the “American dream” alive and provides opportunities for all who wish to attend college,” said Halvorson. “We must do all we can to ensure all our children and grandchildren who wish to do so are able to attend college. Clearly, affordability is an issue for many. We need to break this barrier and remain competitive with the rest of the world when it comes to knowledge. This bill helps to accomplish that.”